



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 28, 2000

Joseph E. Sandler, Esquire  
Sandler & Reiff, P.C.  
6 E Street, S.E.  
Washington DC 20003

RE: MUR 4806  
DNC Services Corp./ Democratic  
National Committee and  
Andrew Tobias, as treasurer

Dear Mr. Sandler:

On January 13, 2000, the Federal Election Commission accepted the signed conciliation agreement and civil penalty that you submitted on behalf of your clients in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.


The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Mr. Sandler, Esq.  
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Enclosed you will find a copy of the fully executed conciliation agreement for your files.  
If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script, reading "Tamara K. Kapper".

Tamara K. Kapper  
Paralegal Specialist

Enclosure  
Conciliation Agreement

2025-04-23 10:30:40

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )  
 ) MUR 4806  
DNC Services Corporation/Democratic )  
National Committee and Andrew Tobias, )  
as treasurer )

**CONCILIATION AGREEMENT**

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that DNC Services Corporation/Democratic National Committee and its treasurer, ("Respondents") violated 2 U.S.C. § 441b(a).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. DNC Services Corporation/Democratic National Committee ("DNC") is a political committee within the meaning of 2 U.S.C. § 431(4)(A).

2. Andrew Tobias is the treasurer of the DNC.

3. Hamilton Bank, N.A., is a national bank within the meaning of 2 U.S.C. § 441b(a), and is headquartered in Miami, Florida.

4. Pursuant to 2 U.S.C. § 441b(a)(2), the term "contribution or expenditure" shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or anything of value.

5. Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any political committee or other person knowingly to accept or receive any contribution from a national bank.

6. A donation made to a national party committee for a building fund is not considered a contribution or an expenditure, if it is specifically designated to defray any cost incurred for the construction or purchase of any office facility which is not acquired for the purpose of influencing the election of any candidate in any particular election for a Federal office. 11 C.F.R. § 100.7(b)(12) and 11 C.F.R. § 114.1(a)(2)(ix).

7. In the Spring of 1996, Eduardo Masferrer, Chairman, Hamilton Bank, N.A., had been contacted by Charles Dusseau, the former Secretary of Commerce of Florida, regarding the making of a contribution to the DNC. By a letter dated April 1, 1996 addressed to the Chairman of Hamilton Bank, N.A., Howard Glicker solicited a \$50,000 contribution to the DNC, the cost of an annual DNC Trustee Membership. Before Hamilton Bank, N.A. made the contribution, it sought the advice of outside and in-house counsel to ascertain the legality of the contribution. It also sought a legal opinion from the DNC.

8. Joseph Sandler, General Counsel for the DNC, sent Hamilton Bank, N.A. a letter, dated April 24, 1996, advising that it was unlawful for a national bank to make a contribution or expenditure in connection with any election to political office, but that it was legal for the DNC

to accept a donation to its Building Fund account from a national bank. The letter specifically advised that "[c]hecks to the Building Fund should be made payable to 'DNC -- Building Fund.'"

9. On April 26, 1996, Hamilton Bank, N.A., sent the DNC a check for \$50,000 through the United States Postal Service and designated the contribution for an Annual Trustee Membership. The payee on the check was the DNC, not the DNC Building Fund.

10. On April 30, 1996, Respondents received and accepted a contribution totaling \$50,000 from Hamilton Bank, N.A., and deposited it into a non-federal account, not their Building Fund account.

11. On June 16, 1997, Respondents transferred \$50,000 from their Non-Federal Corporate Account to their Building Fund account.

V. Respondents received and accepted a \$50,000 prohibited contribution from Hamilton Bank, N.A., in violation of 2 U.S.C. § 441b(a).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Fifteen Thousand dollars (\$15,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.


IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

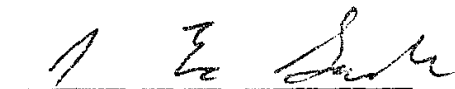
BY:

  
Lois G. Lerner  
Associate General Counsel

Date

1/27/00

FOR THE RESPONDENTS:

  
(Name) Joseph E. Sandler  
(Position) General Counsel

Date

11/15/99